AMENDED IN SENATE MAY 24, 2010

AMENDED IN SENATE APRIL 26, 2010

AMENDED IN SENATE APRIL 8, 2010

AMENDED IN SENATE MARCH 24, 2010

SENATE BILL

No. 1107

Introduced by Senator Kehoe

February 17, 2010

An act to amend Sections—19216 and 19315 19312 and 19314 of the Food and—Agriculture Agricultural Code, to amend Section 16050 of the Public Resources Code, and to add Chapter 7.8 (commencing with Section 13590) to Division 7 of the Water Code, relating to grease.

LEGISLATIVE COUNSEL'S DIGEST

SB 1107, as amended, Kehoe. Water quality: interceptor and trap grease.

Existing

(1) Existing law regulates the transportation of inedible kitchen grease and requires the transporters of inedible kitchen grease to be registered and to pay specified fees. The State Water Resources Control Board is among the principal state agencies with authority relating to water quality.

This bill would enact the Interceptor and Trap Grease Transportation Act of 2010. The bill, on and after January 1, 2012, would prohibit any person or entity from engaging in the transportation of interceptor and trap grease, unless that person or entity is registered with, and possesses a valid registration certificate issued by, the state board.

This bill would require the state board, on or before January 1, 2012, to develop, adopt, and implement regulations, that include specified

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requirements, for a manifest system to track the transportation of interceptor and trap grease. The bill would require the state board to impose a registration fee sufficient to cover the costs of implementing the act. The bill would require the state board to deposit all revenues from the registration fee in the Interceptor and Trap Grease Manifest Fund, which the bill would establish. The bill would authorize the board to expend moneys in the fund to implement the act, subject to appropriation for that purpose. The bill would define "interceptor and trap grease" to mean grease that is principally derived from food preparation, processing, or waste, and that is removed from a grease trap or grease interceptor.

(2) Existing law authorizes the Department of Food and Agriculture to suspend or revoke a registration certificate to transport inedible kitchen grease in specified circumstances.

This bill would add a registrant's violation of this act, or any regulations adopted to implement this act, to those specified circumstances and would make a corresponding change.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19312 of the Food and Agricultural Code 2 is amended to read:
- 3 19312. (a) Registration shall be made with the department and shall include all of the following:
 - (1) The applicant's name and address.

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- 6 (2) A description of the operations to be performed by the 7 applicant.
 - (3) The vehicles to be used in the transportation.
 - (4) A registration fee of one hundred dollars (\$100).
- 10 (5) A list of the names of the drivers employed by the transporter 11 who transport inedible kitchen grease subject to this article and 12 their drivers' license numbers.
- 13 (6) Any other information that may be required by the 14 department.
- 15 (b) Any renderer who registers pursuant to this article is not required to pay the fee prescribed in this section.
- 17 (c) The department may refuse to issue an original or renewal 18 registration certificate to any applicant for which the grounds

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specified in subdivisions (a) to (e) (f), inclusive, of Section 19314 exist.

- (d) (1) The applicant may appeal the decision of the department to refuse to register the applicant.
- (2) The department shall establish procedures for the appeals process, to include a noticed hearing.
- (3) The department may reverse a decision to refuse to register the applicant, upon a finding of good cause to do so.
- SEC. 2. Section 19314 of the Food and Agricultural Code is amended to read:
- 19314. The department may suspend or revoke a registration certificate, at any time, if it finds any of the following has occurred:
- (a) The registrant has sold or offered for sale to an unlicensed person, any inedible kitchen grease.
- (b) The registrant has stolen, misappropriated, contaminated, or damaged inedible kitchen grease or containers thereof.
- (c) The registrant has violated this article or any regulations adopted to implement this article.
- (d) The registrant has taken possession of inedible kitchen grease from an unregistered transporter or has knowingly taken possession of inedible kitchen grease that has been stolen.
- (e) The registrant has been found to have engaged in, or aided and abetted another person or entity in the commission of, any violation of a statute, regulation, or order relating to the transportation or disposal of inedible kitchen grease, including a violation of the federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.), the Porter-Cologne Water Quality Control Act (Chapter 1.5 (commencing with Section 13020) of Division 7 of the Water Code), Section 5650 of the Fish and Game Code, commercial vehicle weight limits, or commercial vehicle hours of service.
- (f) The registrant has violated Chapter 7.8 (commencing with Section 13590) of Division 7 of the Water Code or any regulations adopted to implement that chapter.

(f)

(g) For purposes of this section, "registrant" includes any business entity, trustee, officer, director, partner, person, or other entity holding more than 5 percent equity, ownership, or debt liability in the registered entity engaged in the transportation of inedible kitchen grease.

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1 (g)

(h) (1) The registrant may appeal the suspension or revocation decision of the department.

- (2) The department shall establish procedures for the appeals process, to include a noticed hearing.
- (3) The department may reverse a suspension or revocation upon a finding of good cause to do so.

SECTION 1. Section 19216 of the Food and Agricultural Code is amended to read:

- 19216. "Inedible kitchen grease" means any fat or used cooking greases and oils obtained from any source. "Inedible kitchen grease" does not include interceptor and trap grease as defined in Section 13950.5 of the Water Code.
- SEC. 2. Section 19315 of the Food and Agricultural Code is amended to read:
- 19315. (a) Except as provided in subdivision (b), in addition to the registration fee required by Section 19312, the department may charge a fee necessary to cover the costs of administering this article. Any additional fee charged pursuant to this section shall not exceed three hundred dollars (\$300) per year per vehicle that is operated to transport inedible kitchen grease, and shall not exceed three thousand dollars (\$3,000) per year per registered transporter.
- (b) An individual registered pursuant to this article who transports inedible kitchen grease for his or her own personal, noncommercial use as an alternative fuel is exempt from 75 percent of the fee charged pursuant to subdivision (a), and shall meet all of the following requirements:
- (1) The individual shall meet all other requirements of this article.
- (2) The individual shall not transport more than 55 gallons of inedible kitchen grease per load for that purpose, and shall have no more than 165 gallons of inedible kitchen grease in his or her possession or control at any time.
- (3) The individual shall not take any inedible kitchen grease from a container owned by another registered transporter of inedible kitchen grease or from an inedible kitchen grease provider under contract with a registered transporter of inedible kitchen grease or from a container owned by a renderer or collection center.

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(4) The individual shall have a document in his or her possession while transporting inedible kitchen grease signed by the responsible party providing the inedible kitchen grease to the individual at the source of the inedible kitchen grease that provides permission for the inedible kitchen grease to be removed from that site.

- (5) The individual shall specify where the inedible kitchen grease is stored and processed as an alternative fuel, if that address is different from the address included on the registration form for that individual pursuant to Section 19312.
- (6) The individual shall not sell, barter, or trade any inedible kitchen grease.
- (c) The secretary shall fix the annual fee established pursuant to this section. The secretary shall also fix the date the fee is due and the method of collecting the fee. If an additional fee is imposed on licensed renderers pursuant to subdivision (a) of Section 19227 and an additional fee is imposed on registered transporters pursuant to subdivision (a), only one additional fee may be imposed on a person or firm that is both licensed as a renderer pursuant to Article 6 (commencing with Section 19300) and registered as a transporter of inedible kitchen grease pursuant to this article, which fee shall be the higher of the two fees.
- (d) If the fee established pursuant to this section is not paid within one calendar month of the date it is due, a penalty shall be imposed in the amount of 10 percent per annum on the amount of the unpaid fee.
- (e) This section shall become inoperative on July 1, 2015, and, as of January 1, 2016, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2016, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 3. Section 16050 of the Public Resources Code is amended to read:
- 16050. For purposes of this division, "grease waste hauler" means a transporter of inedible kitchen grease subject to the registration requirements in Section 19310 of the Food and Agricultural Code or a transporter of interceptor and trap grease subject to Chapter 7.8 (commencing with Section 13590) of Division 7 of the Water Code.
- 38 SEC. 4. Chapter 7.8 (commencing with Section 13590) is added to Division 7 of the Water Code, to read:

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Chapter 7.8. Interceptor and Trap Grease Transportation—Act of 2010

13590. (a) This chapter shall be known, and may be cited, as the Interceptor and Trap Grease Transportation Act of 2010. (b)

13590. This chapter applies only to a manifest system for interceptor and trap grease.

13590.1. The Legislature finds and declares all of the following:

- (a) The improper management of grease from interceptors and traps causes environmental, property, and public health damage. There is a need to—facilitate the development of grease control measures, to develop statewide standards develop a manifest system for the transportation of interceptor and trap grease, and to integrate this program with existing state and local efforts to keep grease out of sewer systems, storm drains, and waters of the state.
- (b) The state board has determined that sanitary sewer overflows or sewage spills often contain high levels of suspended solids, pathogenic organisms, toxic pollutants, nutrients, oxygen demanding organic compounds, oil, grease, food waste, and other pollutants. Sanitary sewer overflows may cause a nuisance, or temporarily exceed applicable water quality standards, when the sewage is discharged to surface waters, including ocean waters of the state, pose a threat to public health, adversely affect aquatic life, and impair the public recreational use and aesthetic enjoyment of surface waters.
- (c) The state board has adopted waste discharge requirements for cities in a uniform effort to reduce sanitary sewer overflows. These requirements mandate that cities adopt a program to reduce fats, oils, and grease from entering the sewer system.
- (d) The inappropriate transportation of interceptor and trap grease has been detrimental to human health and the environment, including posing a threat to the waters of the state. It is imperative to ensure that transported interceptor and trap grease be delivered to an appropriate facility for recycling, treatment, or disposal, in order to avoid improper disposal to land, surface waters, and sewers.
 - 13590.2. As used in this chapter:
- (a) "Interceptor and trap grease" means grease that is principally derived from food preparation, processing, or waste, and that is

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removed from a grease trap or grease interceptor. Interceptor and trap grease does not include inedible kitchen grease as defined in Section 19216 of the Food and Agricultural Code.

- (b) "Interceptor and trap grease hauler" means a transporter of interceptor and trap grease subject to this chapter.
- (c) "Manifest system" means a system for documenting and tracking the transportation of interceptor and trap grease from the point of pick up to the final destination.

13590.3. In carrying out this chapter, the state board may solicit and use any and all expertise available in other state agencies, including, but not limited to, the State Board of Equalization, and, where an existing state agency performs functions of a similar nature to the state board's functions, the state board may contract with, or cooperate with, that agency in carrying out this chapter. If the state board contracts with the State Board of Equalization to collect the fee imposed pursuant to Section 13590.5, the State Board of Equalization may collect that fee pursuant to the Fee Collection Procedures Law (Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code).

13590.4. (a) On or after January 1, 2012, a person or entity shall not engage in the transportation of interceptor and trap grease unless that person or entity is registered with, and possesses a valid registration certificate issued by, the state board in accordance with this chapter.

- (b) Each registration shall expire on December 31 of each year.
- (c) (1) The state board shall require, as a condition of registration, that the applicant demonstrate the ability to respond to damages resulting from the transportation of interceptor and trap grease by providing proof of a policy of insurance or surety bond for that purpose in an amount not less than two million dollars (\$2,000,000), except that the required amount shall be one million dollars (\$1,000,000) if the applicant operates only one vehicle and the vehicle has a gross vehicle weight rating of not more than 10,000 pounds.
- (2) The damages to be covered include public liability, which shall include, but not be limited to, liability for personal injury and property damage.
- (3) This subdivision shall not preempt a local ordinance or rule that is more stringent than this subdivision.

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1 13590.5. (a) Registration shall be made in a manner prescribed 2 by the state board and shall include all of the following:

- (1) The applicant's name and address.
- (2) A description of the operations to be performed by the applicant.
 - (3) The vehicles to be used in the transportation.
- (4) A list of the names of the drivers employed by the transporter who transport interceptor and trap grease subject to this chapter and their driver's license numbers.
 - (5) Any other information required by the state board.
- (b) The state board shall impose a registration fee sufficient to eover the costs of implementing and enforcing this chapter.
- (c) The state board may refuse to issue an original or renewal registration certificate to any applicant if any ground specified in subdivision (a) of Section 13590.8 is applicable.
- (d) (1) The applicant may appeal the decision of the state board to refuse to register the applicant.
- (2) The state board shall establish procedures for the appeals process, to include notice and a hearing.
- (3) The state board may reverse a decision to refuse to register the applicant, upon a finding of good cause.
- 13590.6. A vehicle used in the transportation of interceptor and trap grease shall conspicuously display the name of the owner of the vehicle in letters not less than two inches high.
- 13590.7. A registered interceptor and trap grease hauler shall transport interceptor and trap grease only to a facility that is permitted or otherwise authorized, pursuant to statute or regulation, to accept interceptor and trap grease. Facilities authorized to accept interceptor and trap grease shall include publicly owned treatment works.
- 13590.8. (a) The state board may deny, suspend, or revoke a registration certificate, at any time, on any of the following grounds:
- (1) The registrant has deposited interceptor and trap grease at a facility or location not approved by the state board.
- (2) The registrant has reintroduced grease into a sanitary sewer or storm drain without authority from the local control authority.
- (3) The registrant has been found to have commingled interceptor or trap grease with other forms of liquid waste not approved by this chapter.

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(4) The registrant has failed to adequately maintain and submit tracking reports as required by Section 13590.9.

- (5) The registrant has been found to have failed to fully pump all grease, greasy liquid, water, and solids from the grease trap or grease interceptor.
- (6) The registrant has taken possession of interceptor and trap grease from an unregistered hauler.
- (7) The registrant has violated this chapter or any regulations adopted to implement this chapter.
- (8) The registrant has been found to have engaged in, or aided and abetted another person or entity in the commission of, any violation of a statute, regulation, or order relating to the transportation or disposal of interceptor and trap grease, including a violation of the federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.), Section 5650 of the Fish and Game Code, this division, commercial vehicle weight limits, or commercial vehicle hours of service.
- (b) For purposes of this section, "registrant" includes any business entity, trustee, officer, director, partner, person, or other entity holding more than 5 percent equity, ownership, or debt liability in the registered entity engaged in the transportation of interceptor and trap grease.
- (c) The registrant may appeal the suspension or revocation decision of the state board.
- (d) The state board shall establish procedures for the appeals process to include a noticed hearing.
- (e) The state board may reverse a suspension or revocation upon a finding of good cause to do so.
- 13590.3. (a) On or before January 1, 2012, the state board shall develop, adopt, and implement regulations for a manifest system to track the transportation of interceptor and trap grease.
- (b) The state board shall impose a fee on interceptor and trap grease haulers sufficient to cover the costs of implementing this chapter.
- 13590.4. In developing the regulations, pursuant to Section 13590.3, the state board shall require, at a minimum, all of the following:
- 38 13590.9. (a)

39 (a) Any person transporting interceptor and trap grease shall 40 compile an interceptor and trap grease tracking document, as

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prescribed by the state board. The transporter shall submit to the state board, on a quarterly basis, a legible copy of each tracking document. The state board shall post the tracking documents on its Internet Web site for access by the public.

- (b) The tracking document shall include, at a minimum, all of the following information:
- (1) The name and address of each location from which the transporter obtained the interceptor and trap grease.
- (2) The quantity of interceptor and trap grease received from each location.
- (3) The date on which the interceptor and trap grease was obtained from each location.
- (4) The location *and date* of the final disposition of the interceptor and trap grease.
- (5) The amount deposited and the end use of the interceptor and trap grease, if known.
- (c) An interceptor and trap grease hauler shall have the interceptor and trap grease tracking document in their possession while transporting interceptor and trap grease. The tracking document shall be shown upon demand to any representative of the state board, any officer of the California Highway Patrol, any peace officer, as defined in Section 830.1 or 830.2 of the Penal Code, or any local public officer designated by the state board.
- (d) Facilities authorized to accept interceptor and trap grease shall include publicly owned treatment works.

13590.10.

13590.5. Every transporter of interceptor and trap grease shall record and maintain for three years documentation of compliance with this chapter.

13590.11.

13590.6. A registered transporter of interceptor and trap grease shall, whenever any contract for the transportation of interceptor and trap grease under which that transporter provides transportation services is terminated or expires, notify local officials overseeing any applicable program for the control of fats, oils, and grease to prevent, reduce, and mitigate sanitary sewer blockages and overflows in wastewater collection systems, for the county in which the interceptor and trap grease was collected, of the termination or expiration of the contract and that the registered transporter is

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1 no longer transporting interceptor and trap grease pursuant to that 2 contract.

13590.7. On or after January 1, 2012, a person or entity shall not engage in the transportation of interceptor and trap grease unless that person or entity is in compliance with the provisions of this chapter.

13590.8. This chapter shall not preempt a local ordinance or rule that is more stringent than this chapter.

13590.12.

13590.9. The state board shall deposit all revenues from the registration fee collected under—Section 13590.5 subdivision (b) of Section 13590.3 in the Interceptor and Trap Grease Manifest Fund, which is hereby established in the State Treasury. The state board may expend funds in the Interceptor and Trap Grease Manifest Fund to implement this chapter,—including monitoring, education, and enforcement, upon appropriation by the Legislature for those purposes this purpose.

13590.13. The state board shall prepare, adopt, and implement any regulations it determines to be necessary to implement this program.

13590.10. The state board may consult with the Department of Food and Agriculture and any other state agencies, as appropriate, in carrying out the provisions of this chapter.